

Before the  
STATE OF TENNESSEE  
REGULATORY AUTHORITY

Application of )  
 )  
Qwest Communications )  
Corporation and Certain )  
of its Affiliates )  
 )  
For Approval of Internal )  
Corporate Restructuring )

Docket No.

01-00875

REC'D TN  
REGULATORY AUTH.  
01 APR 20 PM 2 12  
EXECUTIVE SECRETARY

**JOINT APPLICATION FOR APPROVAL  
OF INTERNAL CORPORATE RESTRUCTURING**

Pursuant to T.C.A. § 65-4-112, Qwest Communications Corporation ("QCC") and certain of its subsidiaries and affiliates that hold certificates of authority issued by the Authority 1/ hereby submit, to the extent approval is required, this Joint Application for approval by the Tennessee Regulatory Authority (the "Authority") of several internal transactions, described below, being undertaken in order to effectuate an internal corporate restructuring.

The grant of this Application will serve the public interest. The proposed restructuring steps will decrease the actual number of certificated entities subject to the Authority's oversight and consolidate these certificated

---

1/ The following certificated subsidiaries and affiliates are, together with QCC, parties to this Application and are collectively referred to herein as the "Applicants": LCI International Telecom Corp., Phoenix Network, Inc. and USLD Communications, Inc.

entities into one company subject to the Authority's oversight. The administrative burden posed by these entities on the Authority will be reduced. There will be no change in the ultimate ownership or control of the Applicants or in the Authority's oversight of the consolidated entities' operations. Rather, the restructuring will result in a consolidation of the multiple QCC subsidiaries and affiliates currently providing telecommunications services in Tennessee. As a result, QCC and its remaining subsidiaries and affiliates will be able to increase efficiencies and reduce the administrative burdens associated with their current structure and operations.

## **I. THE APPLICANTS**

The Applicants are direct or indirect wholly owned subsidiaries or commonly owned affiliates of QCC. QCC is a direct, wholly owned subsidiary of Qwest Services Corporation, which is, in turn, a direct, wholly owned subsidiary of Qwest Communications International Inc., the stock of which is publicly traded on the New York Stock Exchange. <sup>2/</sup> Through QCC and its subsidiaries and affiliates, Qwest Communications International Inc. is a facilities-based multimedia company that provides a full range of communications services, including local exchange and interexchange telephone service, Internet access, and video and data services.

---

<sup>2/</sup> Prior to the merger of Qwest Communications International Inc. and U S WEST, Inc., Qwest Services Corporation was known as Qwest Corporation.

The principal office and place of business for each of the Applicants is 1801 California Street, Denver, Colorado 80202. A schedule of the dockets in which the Applicants have been granted operating authority to provide telecommunications services in Tennessee, as well as descriptions of the specific services each Applicant is authorized to provide, is attached hereto as Exhibit A-1. The list of operating certificates from the Authority to be held by each Applicant following the restructuring described herein is attached hereto as Exhibit A-2.

## **II. DESIGNATED CONTACTS**

The designated primary contacts for this Application are:

Peter F. Kirchhof  
Regional Director, Policy and Law  
Qwest Services Corporation  
1801 California Street, 47th floor  
Denver, Colorado 80202  
Tel: 303/896-7388  
Fax: 303/896-6378  
E-mail: pkirchh@qwest.com

Mace J. Rosenstein, Esq.  
Marissa G. Repp, Esq.  
Hogan & Hartson L.L.P.  
555 Thirteenth Street NW  
Washington, DC 20004-1109  
Tel: 202/637-5600  
Fax: 202/637-5910  
E-mail: mjrosenstein@hhlaw.com  
mgrepp@hhlaw.com

Copies of all correspondence, notices and orders pertaining to this Application also should be sent to:

Wendy M. Moser, Esq.  
Joseph V. Hatala, Esq.  
Qwest Communications International Inc.  
1801 California Street, 49th floor  
Denver, Colorado 80202  
Tel: 303/672-2816  
303/672-2842  
Fax: 303/295-7049  
E-mail: wmoser@qwest.com  
jhatala@qwest.com

### **III. DESCRIPTION OF THE TRANSACTION**

As explained in further detail below, the proposed corporate restructuring will be effectuated by means of several interrelated steps. These steps involve either (1) the merger of existing QCC subsidiaries and affiliates or (2) the transfer of control of existing QCC subsidiaries and affiliates from one intermediate corporate parent to another. As noted above, the ultimate ownership and control of QCC and all of its direct and indirect subsidiaries and affiliates will be unchanged as a result of these restructuring steps.

Specifically, the Applicants seek authority, to the extent required, for the following transactions:

#### **1. Merger of LCI International Telecom Corp. into QCC.**

LCI International Telecom Corp. (a certificate holder) currently is a direct, wholly owned subsidiary of LCI International, Inc., which, in turn, is a commonly owned affiliate of QCC. LCI International Telecom Corp. will be merged

into QCC, with QCC as the surviving corporation. The certificates of authority, customers and, if any, assets of LCI International Telecom Corp. in Tennessee will be transferred to QCC. 3/

## **2. Merger of Phoenix Network, Inc. into QCC.**

Phoenix Network, Inc. (a certificate holder) is currently a direct, wholly owned subsidiary of QCC. Phoenix Network, Inc. will be merged into QCC, with QCC as the surviving corporation. The certificates of authority, customers and, if any, assets of Phoenix Network, Inc. in Tennessee will be transferred to QCC. 4/

## **3. Merger of USLD Communications Corp. into USLD Communications, Inc.**

USLD Communications, Inc. (a certificate holder) currently is a direct, wholly owned subsidiary of USLD Communications Corp. (which holds no certificates), which, in turn, is a direct, wholly owned subsidiary of LCI International, Inc. USLD Communications Corp. will merge downstream into USLD Communications, Inc., with USLD Communications, Inc. as the surviving corporation. As a consequence, USLD Communications, Inc. will become a direct, wholly-owned subsidiary of LCI International, Inc. Because the certificate holder – USLD Communications, Inc. – is the surviving corporation, this downstream merger does not affect the customers or certificates of USLD Communications, Inc. 5/

---

3/ The tariff of LCI International Telecom Corp. will be adopted by QCC or consolidated into the QCC tariff, as applicable.

4/ The tariff of Phoenix Network, Inc. will be adopted by QCC or consolidated into the QCC tariff, as applicable.

5/ The stock of LCI International, Inc. was transferred from QCC to Qwest Services Corporation on December 29, 2000. LCI International, Inc. holds no certificates of authority and this internal transfer did not have any effect on the customers of, or provision of services by, any certificated

Organizational charts depicting both the pre-restructuring and proposed ownership structure described above are attached hereto as Exhibits B-1 and B-2, respectively. The operating authorizations held by the Applicants before and after the restructuring are specified in Exhibits A-1 and A-2 hereto. Copies of all transactional documents intended to effectuate the Applicants' new organizational structure are attached hereto as Exhibit C.

#### **IV. CUSTOMER AUTHORIZATION**

LCI International Telecom Corp. and Phoenix Network, Inc. already provide service under the "Qwest" brand. Consequently, customers of LCI International Telecom Corp. and Phoenix Network, Inc. that are transferred to QCC will not notice a change in service provider on their bills. In order to ensure compliance with any applicable federal anti-slamming provisions, the Applicants are securing a waiver from the Federal Communications Commission's pre-subscribed carrier change authorization rules. Such waivers are routinely granted, when, as here, lines of business are subject to internal transfer as the result of a corporate restructuring.

#### **V. GRANT OF THE REQUESTED AUTHORITY IS IN THE PUBLIC INTEREST**

The proposed transactions are being undertaken in furtherance of the integration of the business and operations of QCC and its subsidiaries

---

subsidiary or affiliate of QCC. To the extent Authority approval of this internal structural change is required, the Applicants respectfully request that such approval be granted *nunc pro tunc*.

and affiliates and will result in enhanced efficiencies and a reduction in the administrative burdens associated with duplicative operations. A more efficient corporate structure will allow QCC and its subsidiaries and affiliates to devote additional resources to the provision of more and better services to customers. A reduction in the number of certificated entities also will reduce the number of carriers subject to regulation by this Authority, thereby freeing up scarce public resources.

## CONCLUSION

For the reasons stated above, the Authority should approve the internal restructuring proposed in this Application.

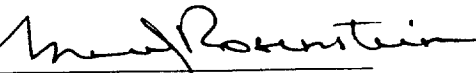
Respectfully submitted,

**Qwest Communications  
Corporation**

**LCI International Telecom  
Corp.**

**Phoenix Network, Inc.**

**USLD Communications, Inc.**

By:   
Mace J. Rosenstein  
Marissa G. Repp

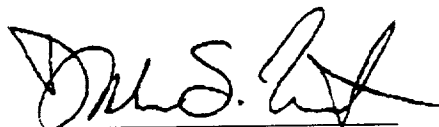
Hogan & Hartson L.L.P.  
555 Thirteenth Street, N.W.  
Washington, D.C. 20004-1109  
Phone: (202) 637-5600  
Fax: (202) 637-5910  
E-mail: [mjrosenstein@hhlaw.com](mailto:mjrosenstein@hhlaw.com)  
[mgrepp@hhlaw.com](mailto:mgrepp@hhlaw.com)

Dated: April 19, 2001

VERIFICATION

State of Colorado            )  
                                      )  
County of Denver            )       ss.

I, Drake S. Tempest, hereby declare under penalty of perjury that I am Executive Vice President and General Counsel and Secretary of Qwest Communications Corporation and am Executive Vice President and Secretary of LCI International Telecom Corp., USLD Communications, Inc., and Phoenix Network, Inc. (such companies collectively, "Qwest"); that I am authorized to make this verification on Qwest's behalf; and that the facts stated in the foregoing submission relating to Qwest are true and correct to the best of my knowledge, information and belief.

By:   
Drake S. Tempest  
Qwest Communications  
International Inc.  
1801 California Street  
Denver, Colorado 80202

Executed on April 19, 2001

**SCHEDULE OF EXISTING OPERATING AUTHORITY  
IN TENNESSEE**

**A. Qwest Communications Corporation**

Pending authorization to provide competitive local exchange services.  
Docket No. 99-00922 (filed December 2, 1999).

Authorized to provide resold interexchange services. Docket No. 95-03130 (September 20, 1995).

Authorized to provide operator services. Docket No. 95-03130 (September 20, 1995).

**B. LCI International Telecom Corp.**

Authorized to provide resold interexchange services. Docket No. 95-03280 (April 26, 1996).

Authorized to provide competitive local exchange services. Docket No. 96-00783 (May 30, 1996).

Authorized to provide operator services. Docket No. 95-03280 (April 26, 1996).

**C. USLD Communications, Inc.**

Authorized to provide resold interexchange services. Docket No. 95-02825 (September 20, 1995).

Authorized to provide operator services. Docket No. 95-02825 (September 20, 1995).

**D. Phoenix Network, Inc.**

Authorized to provide resold interexchange services. Docket No. 95-03296 (October 13, 1995).

**SCHEDULE OF PROPOSED OPERATING AUTHORITY  
IN TENNESSEE**

**A. Qwest Communications Corporation**

Pending authorization to provide competitive local exchange services.  
Docket No. 99-00922 (filed December 2, 1999).

Authorized to provide competitive local exchange services. Docket No. 96-00783 (May 30, 1996) (transferred from LCI International Telecom Corp.)

Authorized to provide resold interexchange services. Docket No. 95-03130 (September 20, 1995).

Authorized to provide resold interexchange services. Docket No. 95-03296 (October 13, 1995) (transferred from Phoenix Network, Inc.).

Authorized to provide resold interexchange services. Docket No. 95-03280 (April 26, 1996) (transferred from LCI International Telecom Corp.).

Authorized to provide operator services. Docket No. 95-03130 (September 20, 1995).

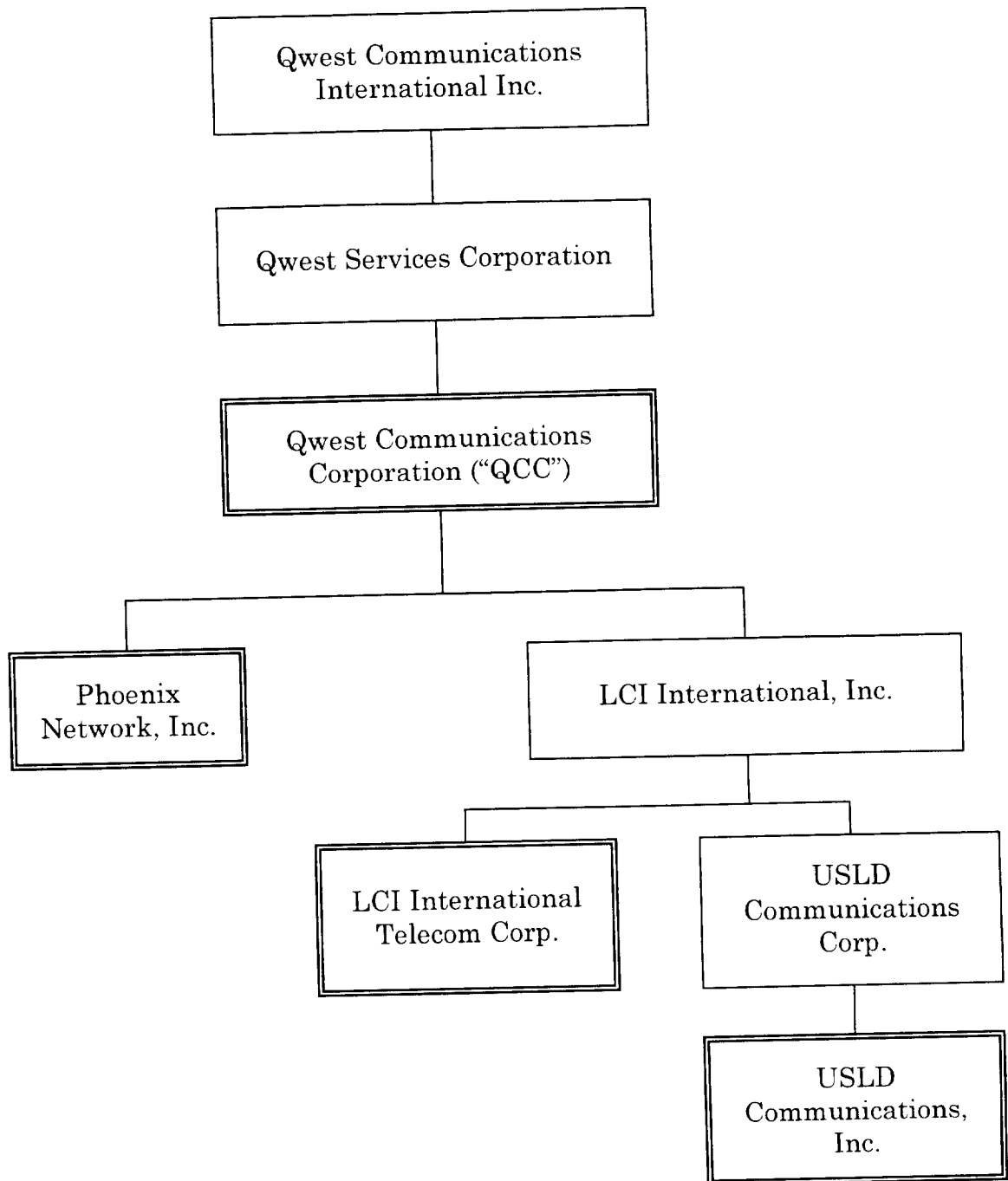
Authorized to provide operator services. Docket No. 95-03280 (April 26, 1996) (transferred from LCI International Telecom Corp.).

**B. USLD Communications, Inc.**

Authorized to provide resold interexchange services. Docket No. 95-02825 (September 20, 1995).

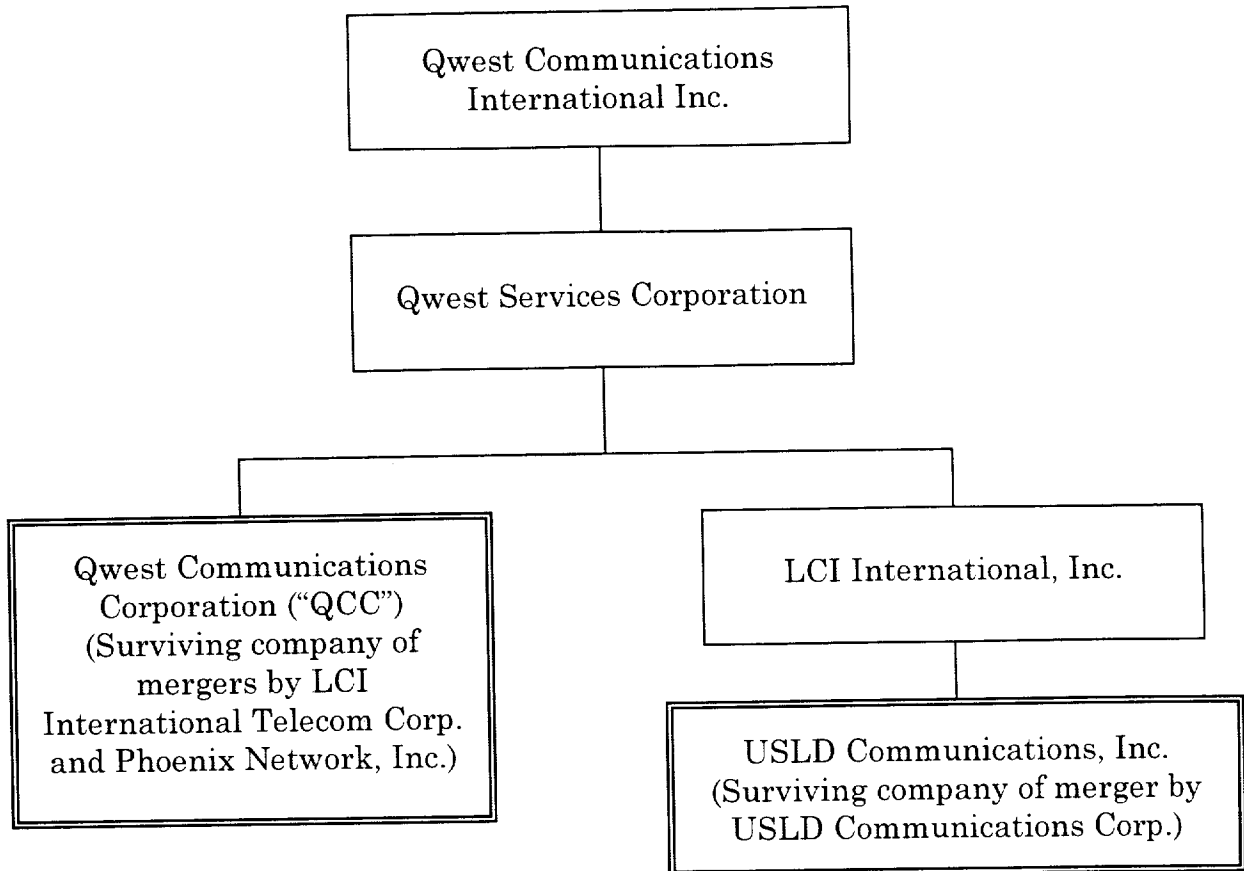
Authorized to provide operator services. Docket No. 95-02825 (September 20, 1995).

**CHART OF PRE-RESTRUCTURING ORGANIZATIONAL STRUCTURE  
FOR THE AFFECTED ENTITIES**



Note: Subsidiaries with double borders hold certificates of authority. Other subsidiaries, which are not affected by the restructuring, are not represented.

**CHART OF PROPOSED ORGANIZATIONAL STRUCTURE  
FOR THE AFFECTED ENTITIES**



Note: Subsidiaries with double borders hold certificates of authority. Other subsidiaries, which are not affected by the restructuring, are not represented.

**EXHIBIT C**

**TRANSACTIONAL DOCUMENTS**

CERTIFICATE OF OWNERSHIP AND MERGER

MERGING

PHOENIX NETWORK, INC.

INTO

QWEST COMMUNICATIONS CORPORATION

\* \* \* \* \*

Qwest Communications Corporation, a corporation organized and existing under the laws of the State of Delaware,

DOES HEREBY CERTIFY:

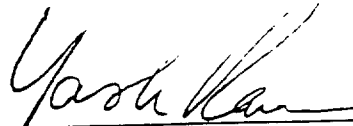
FIRST: That this corporation was incorporated on the tenth day of June, 1966, pursuant to the General Corporation Law of the State of Delaware.

SECOND: That this corporation owns all of the outstanding shares of each class of the stock of Phoenix Network, Inc., a corporation incorporated on the seventeenth day of May, 1989, pursuant to the General Corporation Law of the State of Delaware.

THIRD: That this corporation, by the attached resolutions of its Board of Directors, duly adopted by the unanimous written consent of its members, determined to merge into itself said Phoenix Network, Inc.

FOURTH: Anything herein or elsewhere to the contrary notwithstanding, this merger may be amended or terminated and abandoned by the Board of Directors of Qwest Communications Corporation at any time prior to the time that this Certificate of Ownership and Merger filed with the Secretary of State becomes effective, which filing is conditioned upon the prior approval of the Application for Approval of *Pro Forma* Corporate Restructuring by the relevant state public service commissions and boards.

IN WITNESS WHEREOF, said Qwest Communications Corporation has caused this Certificate to be signed by Yash A. Rana, its Associate General Counsel and Assistant Secretary, this 28 day of February, 2001.



Yash A. Rana  
Associate General Counsel and Assistant  
Secretary

**ARTICLES OF MERGER**  
**of**  
**USLD COMMUNICATIONS CORP.**  
**with and into**  
**USLD COMMUNICATIONS, INC.**

Pursuant to the provisions of Article 5.04 of the Texas Business Corporation Act (the "TBCA"), USLD Communications Corp., a Delaware corporation, and USLD Communications, Inc., a Texas corporation and the wholly-owned subsidiary of USLD Communications Corp., hereby adopt the following Articles of Merger for the purpose of effecting a merger of USLD Communications Corp. with and into USLD Communications, Inc. in accordance with Article 5.01 of the TBCA:

**ARTICLE I**

An Agreement and Plan of Merger by and between USLD Communications Corp. (the "Parent Corporation") and USLD Communications, Inc. (the "Subsidiary Corporation"), attached hereto as Exhibit A, has been approved, adopted, certified, executed and acknowledged by each of Parent Corporation and Subsidiary Corporation in accordance with the requirements of the laws of the State of Delaware and the laws of the State of Texas. In accordance with the terms of the Agreement and Plan of Merger, Subsidiary Corporation shall be the surviving corporation and its Articles of Incorporation, as in effect at the time of the merger, shall remain in effect and no amendment thereto shall be made.

**ARTICLE II**

An executed copy of the Agreement and Plan of Merger is on file at the principal place of business of Subsidiary Corporation at 1801 California Street, Suite 5100, Denver, Colorado 80202. A copy of the Agreement and Plan of Merger will be furnished by Subsidiary Corporation, on written request and without cost, to any stockholder of Parent Corporation or shareholder of Subsidiary Corporation.

**ARTICLE III**

The Agreement and Plan of Merger was approved by the sole stockholder of Parent Corporation on February 28, 2001, in the manner prescribed by the Delaware General Corporation Law. The approval of the sole shareholder of Subsidiary Corporation is not required under Article 5.03 of the TBCA.

#### ARTICLE IV

The number of shares of Parent Corporation outstanding and entitled to vote on the Agreement and Plan of Merger is sixteen million, five hundred ninety thousand, three hundred thirty-six (16,590,336) shares of common stock.

#### ARTICLE V

The total number of shares of Parent Corporation and Subsidiary Corporation that voted for and against the Agreement and Plan of Merger is as follows:

<u>Name</u>	<u>Votes in Favor</u>	<u>Votes Against</u>
Parent Corporation	16,590,336	0

#### ARTICLE VI

The Agreement and Plan of Merger and the performance of its terms were duly authorized by all action required by the laws of the State of Delaware and the State of Texas and by the constituent documents of each of Parent Corporation and Subsidiary Corporation.

#### ARTICLE VII

The merger will become effective upon the later of (a) the filing of these Articles of Merger with the Texas Secretary of State's Office and (b) the filing of a Certificate of Ownership and Merger with the Secretary of State of the State of Delaware, which filings are conditioned upon the prior approval of the Application for Approval of *Pro Forma* Corporate Restructuring by the relevant state public service commissions and boards.

#### ARTICLE VIII

In accordance with Article 5.04C of the TBCA, the Subsidiary Corporation will be responsible for the payment of all fees and franchise taxes owed by the Parent Corporation and will be obligated to pay such fees and franchise taxes if the same are not timely paid.

**[Remainder of Page Intentionally Left Blank]**

**IN WITNESS WHEREOF**, the undersigned have executed these Articles of Merger as of the 28 day of February, 2001.

USLD Communications Corporation.  
a Delaware corporation

By: 

Name: Yash A. Rana

Its: Associate General Counsel and Assistant  
Secretary

USLD Communications, Inc.  
a Texas corporation

By: 

Name: Yash A. Rana

Its: Associate General Counsel and Assistant  
Secretary

**EXHIBIT A**

**Agreement and Plan of Merger**

## **AGREEMENT AND PLAN OF MERGER**

This Agreement and Plan of Merger (the "Agreement") is by and between USLD Communications Corp., a Delaware corporation (the "Parent Corporation"), and USLD Communications, Inc., a Texas corporation and wholly owned subsidiary of Parent Corporation (the "Subsidiary Corporation").

### **RECITALS**

WHEREAS, Parent Corporation is the sole shareholder of Subsidiary Corporation; and

WHEREAS, Parent Corporation and Subsidiary Corporation desire to restructure by causing Parent Corporation to merge with and into Subsidiary Corporation.

### **AGREEMENT**

NOW, THEREFORE, in consideration of the mutual obligations and covenants set forth in this Agreement, Parent Corporation and Subsidiary Corporation each agrees as follows:

#### **I.**

#### **Surviving Corporation, Name, Articles of Organization and Regulations, Members**

A. In accordance with the provisions of the Texas Business Corporation Act, Parent Corporation will, at the Effective Time (as hereinafter defined), be merged with and into Subsidiary Corporation and Subsidiary Corporation will be the surviving company (the "Surviving Company"). The merger of Parent Corporation with and into Subsidiary Corporation is hereinafter referred to as the "Merger." After the Merger, Subsidiary Corporation will continue to exist under, and be governed by, the laws of the State of Texas. Except as herein specifically set forth, the identity, existence, purposes, powers, objectives, franchises, privileges, rights and immunities of Subsidiary Corporation will continue unaffected and unimpaired by the Merger, and the corporate franchises, existence, assets, liabilities and rights of Parent Corporation will be merged into Subsidiary Corporation, which, as the Surviving Company, will be fully vested therewith. The separate existence and corporate organization of Parent Corporation, except insofar as they may be continued by statute, will cease at the Effective Time.

B. At the Effective Time, the name of the Surviving Company will be "USLD Communications, Inc."

C. The Articles of Incorporation and Bylaws of Subsidiary Corporation as in effect immediately prior to the Effective Time and attached hereto as Exhibit A will be the Articles of Incorporation and Bylaws of the Surviving Company.

## **II.**

### **Capitalization and Exchange of Capital Stock**

A. At the Effective Time, each outstanding share of common stock of Parent Corporation held by the sole stockholder of Parent Corporation immediately prior to the Effective Time shall be canceled automatically, and such sole stockholder shall receive, in exchange for such canceled shares, all of the outstanding shares of common stock of Subsidiary Corporation that, and with identical preferences, limitations and relative rights as, were issued to the Parent Corporation immediately before the Effective Time.

## **III.**

### **Filings Relating to the Effective Date**

A. Parent Corporation and Subsidiary Corporation will proceed expeditiously and cooperate fully in the procurement of any consents and approvals, the taking of any other action and the satisfaction of all other requirements prescribed by law or otherwise necessary for the consummation of the Merger.

B. Authorized persons of Parent Corporation and Subsidiary Corporation will execute and verify, and cause to be filed, Articles of Merger in accordance with the Texas Business Corporation Act, which filing is conditioned upon the prior approval of the Application for Approval of *Pro Forma* Corporate Restructuring by the relevant state public service commissions and boards.

C. The Merger will become effective upon the later of (i) the filing of Articles of Merger with the Texas Secretary of State's Office and (ii) the filing of a Certificate of Ownership and Merger with the Secretary of State of the State of Delaware (the "Effective Time").

## **IV.**

### **Certain Effects of the Merger**

A. At the Effective Time, the separate existence of Parent Corporation will cease. All rights, title, and interests to all real estate, employee benefit plans, accounts receivable, furniture, fixtures, equipment, leasehold rights and all other assets and property owned by Parent Corporation shall be allocated to, acquired by and vested in, the Surviving Company without reversion or impairment, without further act or deed, and without any transfer or assignment having occurred, but subject to any existing liens thereon. All liabilities and obligations of Parent Corporation and Subsidiary Corporation, including obligations under employee benefit plans, leases, bank indebtedness and accounts payable shall be allocated to, and assumed completely by, the Surviving Company, and the Surviving Company shall be the primary obligor therefor. All contracts, leases, agreements, promissory notes, employee benefit plans and other documents or instruments that include Parent Corporation within their text, shall be deemed, as of the Effective Time, to have substituted the name of the Surviving Company for Parent

Corporation, wherever it may appear. For vesting purposes, years of employment and other provisions contained in such documents for which association with Parent Corporation is important, the period of association with the Surviving Company will relate back to the date of original association with Parent Corporation.

B. At the time of, or from time to time after, the Effective Time, the last acting officers and directors of Parent Corporation will, as and when requested by the Surviving Company or its successors or assigns, execute and deliver all such deeds, assignments and other instruments and take or cause to be taken all such further or other reasonable action as the Surviving Company deems reasonably necessary or desirable in order to vest, perfect or confirm in the Surviving Company title to and possession of all of the properties, rights, privileges, powers, franchises, immunities and interests of Parent Corporation and otherwise to carry out the purpose of this Agreement.

## V.

### Closing Date, Termination, Counterparts

A. This Agreement shall be closed at the time and date as may be mutually agreed upon by Parent Corporation and Subsidiary Corporation.

B. This Agreement may be terminated and the Merger abandoned at any time prior to the Effective Time pursuant to resolutions adopted by both the Board of Directors of Parent Corporation and Subsidiary Corporation, without action by either the stockholders of Parent Corporation or the shareholders of Subsidiary Corporation.

C. This Agreement may be executed in multiple counterparts, each of which will be deemed an original and all of which together will constitute one agreement.

In order to evidence the foregoing, Parent Corporation and Subsidiary Corporation have caused this Agreement and Plan of Merger to be signed by their duly authorized officers as of February 28, 2001.

USLD Communications Corp.,  
a Delaware corporation

By: 

Name: Yash A. Rana

Its: Associate General Counsel and Assistant  
Secretary

USLD Communications, Inc.,  
a Texas corporation

By: 

Name: Yash A. Rana

Its: Associate General Counsel and Assistant  
Secretary

CERTIFICATE OF OWNERSHIP AND MERGER

MERGING

USLD COMMUNICATIONS CORP.

INTO

USLD COMMUNICATIONS, INC.

USLD Communications Corp., a corporation organized and existing under the laws of the State of Delaware,

DOES HEREBY CERTIFY:

FIRST: That this corporation was incorporated on the twenty-first day of September, 1987, pursuant to the General Corporation Law of the State of Delaware.

SECOND: That this corporation owns all of the outstanding capital stock of USLD Communications, Inc., a corporation incorporated on the eleventh day of August, 1986, pursuant to the Texas Business Corporation Act.

THIRD: That this corporation, by the attached resolutions of its Board of Directors, duly adopted by the unanimous written consent of its members, determined to merge itself into said USLD Communications, Inc.

FOURTH: That the merger has been approved by the holder of a majority of the outstanding stock entitled to vote thereon of USLD Communications Corp., by the Unanimous Consent in Lieu of a Meeting of the sole stockholder thereof.

FIFTH: That USLD Communications, Inc. survives the merger and may be served with process in the State of Delaware in any proceeding for enforcement of any obligation of USLD Communications Corp., as well as for enforcement of any obligations of the surviving corporation arising from the merger, including any suit or proceeding to enforce the right of any stockholder as determined in appraisal proceedings pursuant to the provisions of Section 262 of Title 8 of the Delaware Code, and it does hereby irrevocably appoint the Secretary of State of Delaware as its agent to accept service of process in any suit or other proceeding. The address to which a copy of such process shall be mailed by the Secretary of State of Delaware is 1801 California Street, Suite 5100, Denver, Colorado 80202 until the surviving corporation shall have hereafter designated in writing to the said Secretary of State a different address for such purpose. Service of such process may be made by personally delivering to, and leaving with, the Secretary of State of Delaware duplicate copies of such process, one of which copies the Secretary of State of Delaware shall forthwith send by registered mail to USLD Communications, Inc., at the above address.

SIXTH: Anything herein or elsewhere to the contrary notwithstanding, this merger may be amended or terminated and abandoned by the Board of Directors of USLD Communications Corp. at any time prior to the time that this Certificate of Ownership and Merger filed with the Secretary of State becomes effective, which filing is conditioned upon the prior approval of the Application for Approval of *Pro Forma* Corporate Restructuring by the relevant state public service commissions and boards.

IN WITNESS WHEREOF, said USLD Communications Corp. has caused this Certificate to be signed by Yash A. Rana, its Associate General Secretary and Assistant Secretary, this 28 day of February, 2001.

USLD Communications Corp.

By: 

Name: Yash A. Rana

Its: Associate General Counsel and Assistant Secretary

## AGREEMENT OF MERGER

AGREEMENT OF MERGER, dated this 28, day of February, 2001, pursuant to Section 251 of the General Corporation Law of the State of Delaware, between Qwest Communications Corporation, a Delaware corporation, and LCI International Telecom Corp., a Delaware corporation.

WITNESSETH that:

WHEREAS, all of the constituent corporations desire to merge into a single corporation.

NOW, THEREFORE, the corporations, parties to this Agreement, in consideration of the mutual covenants, agreements and provisions hereinafter contained, do hereby prescribe the terms and conditions of said merger and mode of carrying the same into effect as follows:

FIRST: Qwest Communications Corporation hereby merges into itself LCI International Telecom Corp. and said LCI International Telecom Corp., shall be, and hereby is, merged into Qwest Communications Corporation, which shall be the surviving corporation.

SECOND: The Restated Certificate of Incorporation of Qwest Communications Corporation as heretofore amended and as in effect on the date of the merger shall continue in force as the Certificate of Incorporation of the corporation surviving this merger.

THIRD: The manner of converting the outstanding shares of the capital stock of each of the constituent corporations into shares or other securities of the surviving corporation shall be as follows:

(a) Each share of capital stock of the surviving corporation, which shall be issued and outstanding on the effective date of this Agreement, shall remain issued and outstanding.

(b) Each share of capital stock of the merged corporation, which shall be outstanding on the effective date of this Agreement and all rights in respect thereto shall forthwith be cancelled. In consideration therefor, Qwest Communications Corporation shall issue to LCI International, Inc., the sole stockholder of LCI International Telecom Corp., upon the effective date of this merger, a demand promissory note in an amount equal to the fair market value of the assets of LCI International Telecom Corp. at the time of the merger as determined by an independent appraiser agreed upon by the parties, or if the parties cannot agree, as determined by KPMG LLP.

FOURTH: The terms and conditions of the merger are as follows:

(a) The bylaws of the surviving corporation, as they shall exist on the effective date of this Agreement, shall be and remain the bylaws of the surviving corporation until the same shall be altered, amended or repealed as therein provided.

(b) The directors and officers of the surviving corporation shall continue in office until the next annual meeting of stockholders and until their successors shall have been elected and qualified.

(c) This merger shall become effective upon the filing of this Agreement with the Secretary of State of the State of Delaware, which filing is conditioned upon the prior approval of the Application for Approval of *Pro Forma* Corporate Restructuring by the relevant state public service commissions and boards.

(d) Upon the merger becoming effective, all the property, rights, privileges, franchises, patents, trademarks, licenses, registrations and other assets of every kind and description of the merged corporation shall be transferred to, vested in and devolve upon the surviving corporation without further act or deed and all property, rights, and every other interest of the surviving corporation and the merged corporation shall be as effectively the property of the surviving corporations as they were of the surviving corporation and the merged corporation respectively. The merged corporation hereby agrees from time to time, as and when requested by the surviving corporation or by its successors or assigns, to execute and deliver or cause to be executed and delivered all such deeds and instruments and to take or cause to be taken such further or other action as the surviving corporation may deem to be necessary or desirable in order to vest in and confirm to the surviving corporation title to and possession of any property of the merged corporation acquired or to be acquired by reason of or as a result of the merger herein provided for and otherwise to carry out the intent and purposes hereof and the proper officers and directors of the merged corporation and the proper officers and directors of the surviving corporation are fully authorized, in the name of the merged corporation or otherwise, to take any and all such action.

FIFTH: Anything herein or elsewhere to the contrary notwithstanding, this Agreement may be terminated and abandoned by the Board of Directors of any constituent corporation at any time prior to the time that this Agreement filed with the Secretary of State becomes effective. This Agreement may be amended by the Board of Directors of the constituent corporations at any time prior to the time that this Agreement filed with the Secretary of State becomes effective, provided that an amendment made subsequent to the adoption of the Agreement by the stockholders of any constituent corporation shall not (a) alter or change the amount or kind of shares, securities, cash, property and/or rights to be received in exchange for, or on conversion of, all or any of the shares of any class or series thereof such constituent corporation, (b) alter or change any term of the Restated Certificate of Incorporation of the surviving corporation to be effected by the merger, or (c) alter or change any of the terms and conditions of the Agreement if such alteration or change would adversely affect the holders of any class or series thereof of such constituent corporation.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties to this Agreement, pursuant to the approval and authority duly given by resolutions adopted by their respective Boards of Directors have caused these presents to be executed by the Associate General Counsel and Assistant Secretary of each party hereto as the respective act, deed and agreement of said corporations on this 28 day of February, 2001.

Qwest Communications Corporation.  
a Delaware corporation

By: 

Name: Yash A. Rana

Its: Associate General Counsel and Assistant  
Secretary

LCI International Telecom Corp.,  
a Colorado corporation

By: 

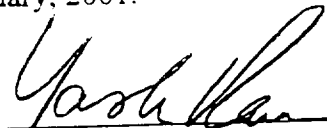
Name: Yash A. Rana

Its: Associate General Counsel and Assistant  
Secretary

Certificate of the Assistant Secretary  
of  
Qwest Communications Corporation

I, Yash A. Rana, Assistant Secretary of Qwest Communications Corporation, a corporation organized and existing under the laws of the State of Delaware, hereby certify, as such Assistant Secretary, that the Agreement of Merger to which this certificate is attached, after having been first duly signed on behalf of the said corporation and having been signed on behalf of LCI International Telecom Corp., a corporation organized and existing under the laws of the State of Delaware, was duly adopted pursuant to section 228 of Title 8 of the Delaware Code by the written consent of the sole stockholder of Qwest Communications Corporation, which Agreement of Merger was thereby adopted as the act of the sole stockholder of said Qwest Communications Corporation and the duly adopted agreement and act of the said corporation.

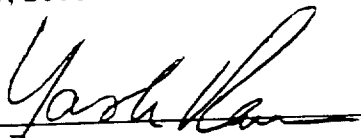
WITNESS, my hand on this 28 day of  
February, 2001.

  
\_\_\_\_\_  
Yash A. Rana,  
Assistant Secretary

Certificate of the Assistant Secretary  
of  
LCI International Telecom Corp.

I, Yash A. Rana, Assistant Secretary of LCI International Telecom Corp., a corporation organized and existing under the laws of the State of Delaware, hereby certify, as such Assistant Secretary, that the Agreement of Merger to which this certificate is attached, after having been first duly signed on behalf of the said corporation and having been signed on behalf of Qwest Communications Corporation, a corporation organized and existing under the laws of the State of Delaware, was duly adopted pursuant to section 228 of Title 8 of the Delaware Code by the written consent of the sole stockholder of LCI International Telecom Corp., which Agreement of Merger was thereby adopted as the act of the sole stockholder of said LCI International Telecom Corp. and the duly adopted agreement and act of the said corporation.

WITNESS, my hand on this 28 day of  
February, 2001.

  
\_\_\_\_\_  
Yash A. Rana,  
Assistant Secretary